THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) to (d) Central Electricity Authority has informed the Ministry of Power that looking at the current status of various on-going projects, particularly in the State Sector, the entire capacity addition programme of 30,538 MW may not materialise in the 8th Five Year Plan. CEA estimates capacity addition during the Plan-period at about 20,000 MW including projects with a capacity of about 2000 MW which for commissioning in the Plan-period would need considerable efforts and funds. The Government has taken note of this assessment and action is in hand to ensure that these projects do not slip beyond the initial years of the 9th Five Year Plan. Simultaneously more generation is sought to be attained from existing power stations so as to mitigate, to some extent, the consequential power shortage.

Loans from World Bank to NTPC and Power Grid Corporaion of India

586.. SHR VIREN J. SHAH:
SHRI PRAMOD MAHAJAN:

Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to a report published in the "Observer" dated 19th October, 1993 captioned NTPC, Power Grid may lose loans for failure to collect dues;

(b) whether it is a fact that the World Bank has threatened to suspend loans worth 750 million dollars to the national Thermal Power Corporation (NTPC) and Power Grid Corporation of India (PGCI) until major commercial convenants signed by them at the time of loan agreements are fulfilled;

(c) if so, the details thereof, what is the amount of World Bank's loan agreed and paid so far to NTPC and PGCI;

(d) the details of the reports relating to NTPC and PGCI based on the appraisals conducted by the World Bank's own teams;

(e) the details of overdues of the NTPC and PGCI in respect of which the World Bank has threatened to suspend loans;

(f) the steps taken by the NTPC and PGCI so far to improve their collection and reduce the outstandings from the SEBs; and

(g) the amount outstanding against each SEB as on 30th September, 1993?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) Yes, Sir.

(b) and (c) The World Bank has approved loans of US dollar 350 Million and US dollar 40/ Million to Power Grid Corporation of India (POWERGROD) and National Thermal Power Corporation (NTPC) respectively. The lian to NTPC is the first tranche of loans amounting to US dollar 1 2 Billion.

POWERGRID has claimed US dollar 8.2 Million so far from the World Bank out of the above loan.

The World Bank had, inter-alia, indicated not to declare the NTPC loan effective and suspend the rights to make withdrawals from loans by POWERGRID unless they are in compliance with the agreed convenants.

(d) In the case of NTPC, a Bank team came in October, 1993 to supervise the progress achieved in implementation of agreed activities under the ongoing loans and during negotiations for the new loans. The team expressed general satisfaction over the progress but expressed major concern over the high level of outstanding dues of State Electricity Boards (SEBs).

As far as POWERGRID is concerned, the World Bank in its various reports had recognised the important role POWERGRID is to play to address institutional weaknesses in power transmission and system operations in India through an extensive restructuring of the transmission sector. The World Bank's assessment in respect of POWERGRID to achieve this objective in a phased manner was positive.

(e) The overdues of NTPC and POWERGRID, which exceed the level of two months sales equivalent, were Rs. 3085.94 crores (inclusive of surcharge) and Rs. 436.09 crores (inclusive of Rs. 245.07 crores as disputed component) respectively, as on 30-9-1993.

(f) Apart from regular follow up of payments with the SEBs and respective State Governments the following steps have been taken to recover these dues and prevent further accumulation:—

(i) Adjustment of arrears by recoveries from Central appropriation;

(ii) Regulation of power supplies by shutting off or restricting supply to SEBs, commensurate with payments;

(iii) The defaulting beneficiaries are given notices to improve payments to avoid reduction in supply;

(iv) Some of the defaulting beneficiaries have been persuaded to open letters of credit (LCs) for prompt payment;

(v) Central Electricity Authority has been asked to look into the nature of disputes and settle the loan outstanding issues on priority basis.

(g) Statement of outstanding dues against each SEB, for NTPC and POWERGRID, as on 30th September, 1993 are placed at Statement I and II, respectively.

Statement-I

NTPC's Outstanding dues as on 30 *September*' 93

(Rs. in crores)

Organisation/*EB/**SEB	Outstanding As on Date	Surcharge Binded	Total Outstanding
1	2	3	4
A. *Northern Region and National Capital Region :*			
Uttar Pradesh SEB	344.40	212.43	556.83
Rajasthan SEB	98.04	09.67	207.71
Delhi Electric Supply undertaking	184.30	58.67	242.97
Punjab SEB	49.74	1.74	51.48

* State Electricity Board.

** Electricity Board.

1	2	3	4
Haryana SEB	254.12	96.18	350.30
Himachal Pradesh SEB	7.27	7.15	14.42
Jammu & Kashmir	124.62	16.16	140.78
Union Territory of Chandigarh	0.69	0.24	0.93
B. *Western Region :*			
Madhya Pradesh SEB	44.29	154.92	199.21
Maharashtra SEB	8.65	60.00	148.65
Gujarat EB	68.04	56.19	124.23
Goa	—0.12	0.04	0.08
Dadra & Nagar Haveli	0.05	0.14	0.19
Daman and Diu	—0.01	0.04	.03
C. *Southern Region :*			
Andhra Pradesh SEB	86.77	25.12	111.89
Karnataka EB	17.87	22.33	40.20
Tamil Nadu E.B.	93.66	40.31	133.97
Kerala SEB	19.05	17.04	36.09
Goa	0.73	0	0.73
Pondicherry	-0.42	0.02	—0.40
D. *Eastern Region :*			
West Bengal SEB	27.86	43.98	71.84
Bihar SEB	282.37	175.36	157.73
Orissa SEB	19.23	19.63	38.86
Damodar Valley Corporation	94.92	61.97	156.89
Sikkim	0.44	0.05	0.49
TOLAL (A+B+C+D)	1906.56	1179.38	3985.94

Statement-II

PGCIIBS Outstanding dues as on 30-9-1993

(Rs. in crores)

S. No.	States/State Electricity Boards (SEBs)	Outstanding as on 30-9-93		
		Total	Un-disputed	Disputed
1	Jammu & Kashmir	14.781	5.594	9.187
2	Himachal Pradesh SEB	3.410	1.379	2.031
3	Punjab SEB	24.988	8.839	16.149
4	Haryana SEB	35.359	15.962	19.397
5	Rajasthan SEB	42.175	11.971	30.204
6	Uttar Pradesh SEB	120.067	58.132	61.935
7	Delhi Electric Supply Undertaking	37.610	12.986	24.624
8	Union Territory of Chandigarh	0.758	—0.513	1.271
9	Madhya Pradesh EB	3.196	3.196	—
10	Gujarat EB	5.910	2.618	3.292
11	Maharashtra EB	3.674	1.723	1.951
12	Goa	—0.003	—	—0.003
13	Daman & Diu	0.064	—0.002	0.066
14	Dadra & Nagar Haveli			
15	Andhra Pradesh SEB	28.749	5.044	23.705
16	Karnataka EB	12.458	1.212	11.24
17	Kerala SB	2597	1.646	0.951
18	Tamil Nadu	26.757	5.141	21.616
19	Pondicherry	0.432	—0.001	0.433
20	Goa	0.183	—0.001	0.184
21	Bihar SEB	22.604	12.772	9.832
22	Orissa SEB	13.273	10.990	2.283
23	West Bengal SEB	7.413	5.674	1.739
24	Sikkim	0.182	0.172	—
25	Damodar Velly Corpn.	16.905	14.233	2.672
26	Assam	9.126	9.126	—
27	Meghalaya	0.421	0.421	—
28	Tripura	0.578	0.265	0.313
29	Mizoram	0.162	0.162	—
30	Manipur	0.906	1.906	—
31	Nagaland	0.333	0.333	—
32	Arunachal Pradesh	0.032	0.032	—
	ALL INDIA TOLAL	436.090	191.012	245.078